



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	HB0782	Title:	Revise law on over-payment of food stamps
Primary Sponsor:	Caferro, Mary	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
General Fund	\$7,701	\$7,701	\$7,701	\$7,701
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance	<u>(\$7,701)</u>	<u>(\$7,701)</u>	<u>(\$7,701)</u>	<u>(\$7,701)</u>

Description of fiscal impact:

This bill requires the state to pay for food stamp over-issuance payments versus having the recipient repay the over-issuance payments, in specific circumstances.

FISCAL ANALYSIS

Assumptions:

1. In FY 2006, there were 418,908 Food Stamp cases handling \$89,937,732 in payments.
2. During this period there were 1,345 agency-caused errors in the food stamp program, resulting in over-issuance payments of \$385,028.
3. The majority of agency-caused errors are not reported by the food stamp recipient to the Office of Public Assistance (OPA) staff. It is estimated that fewer than 2 percent of agency-caused errors are reported and not acted upon by OPA staff with 30 days.
4. Based on this 2 percent of errors falling within the definition of the bill, it is estimated that the state would incur repayment amounts of about \$7,701 per year.
5. This repayment to the federal government would be made from the general fund.
6. The bill is effective on passage and approval. The estimated FY 2007 costs would not be material and will be absorbed within the DPHHS FY 2007 budget.

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Benefits	\$7,701	\$7,701	\$7,701	\$7,701
<u>Funding of Expenditures:</u>				
General Fund (01)	\$7,701	\$7,701	\$7,701	\$7,701
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$7,701)	(\$7,701)	(\$7,701)	(\$7,701)

Technical Notes:

1. The Federal Food and Nutrition Service (FNS) requires the client be responsible for the over-issuance of food stamp benefits. FNS has been asked if it is possible for the department to repay the benefits rather than the client, or if the department can be designated as a member of the household. A response has not been received.
2. Federal Food and Nutrition Service law states that 100% of over-issuance of food stamp benefits is to be repaid by the recipient.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date